

**A RESOLUTION
BY FINANCE/EXECUTIVE COMMITTEE**

07-*R*-0603

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH INDUSTRIAL FURNACE COMPANY, INC. FOR FC-6007000005, INCINERATOR MAINTENANCE, REPAIR AND REPLACEMENT, ON BEHALF OF THE DEPARTMENT OF WATERSHED MANAGEMENT, IN AN AMOUNT NOT TO EXCEED EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS (\$800,000.00); ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS: 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q32001 (TREATMENT PLANT - R.M. CLAYTON) (\$500,000.00) AND 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q33001 (TREATMENT PLANT - UTOY CREEK) (\$300,000.00); AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") owns and operates four Water Reclamation Centers ("WRC"); and

WHEREAS, the Department of Watershed Management has identified the need for immediate repairs, replacement, maintenance and upgrades to the incinerators located at the R. M. Clayton WRC and Utoy Creek WRC; and

WHEREAS, Industrial Furnace Company, Inc. ("IFCO") is a sole source designee because it is the design manufacturer that previously installed and holds the patent on the hearth design at the WRCs; and

WHEREAS, IFCO meets the requirements of a Sole Source Procurement set out in §2-1191 of the City of Atlanta Code of Ordinances; and

WHEREAS, the Commissioner of the Department of Watershed Management and the Chief Procurement Officer have recommended that FC-6007000005, Incinerator Maintenance, Repair and Replacement, be awarded to IFCO as a sole source procurement.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY RESOLVES, that the Mayor is authorized to enter into an Agreement with Industrial Furnace Company, Inc. ("IFCO") for FC-6007000005, Incinerator Maintenance, Repair and Replacement, in an amount not to exceed Eight Hundred Thousand Dollars and No Cents (\$800,000.00).

BE IT FURTHER RESOLVED, that all contracted work will be charged to and paid from Fund, Account and Center Numbers: 2J21 (Water & Wastewater Renewal & Extension) 523001 (Serv/Repair/Maint. Contract) Q32001 (Treatment Plant - R.M.

Clayton) (\$500,000.00) and 2J21 (Water & Wastewater Renewal & Extension) 523001 (Serv/Repair/Maint. Contract) Q33001 (Treatment Plant – Utoy Creek) (\$300,000.00).

BE IT FURTHER RESOLVED, that the base term of the Agreement will be for one (1) year with a single one (1) year renewal option at the City's sole discretion.

BE IT FURTHER RESOLVED, that the Chief Procurement Officer is directed to prepare an appropriate agreement for execution by the Mayor.

BE IT FINALLY RESOLVED, that the Agreement will not become binding on the City and the City will incur no obligation or liability under it until it has been executed by the Mayor, attested to by the Municipal Clerk, approved as to form by the City Attorney and delivered to IFCO.

LEGISLATIVE SUMMARY
FC-6007000005, Incinerator Maintenance, Repair and Replacement

TO: Finance/Executive Committee

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH INDUSTRIAL FURNACE COMPANY, INC. FOR FC-6007000005, INCINERATOR MAINTENANCE, REPAIR AND REPLACEMENT, ON BEHALF OF THE DEPARTMENT OF WATERSHED MANAGEMENT, IN AN AMOUNT NOT TO EXCEED EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS (\$800,000.00); ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS: 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q32001 (TREATMENT PLANT - R.M. CLAYTON) (\$500,000.00) AND 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q33001 (TREATMENT PLANT – UTOY CREEK) (\$300,000.00); AND FOR OTHER PURPOSES.

Committee Meeting Date:	March 28, 2007
Council Meeting Date:	April 16, 2007
Requesting Dept.:	Watershed Management
Contract Type:	Sole Source - Section §2-1191
Advertisement:	N/A
Bids/Proposals Due:	N/A
Invitations Mailed:	N/A
Bids/Proposals Received:	N/A
Bidders/Proponents:	N/A
Contractor:	Industrial Furnace Company, Inc.
Estimated Value:	Not to exceed \$800,000.00
Scope Summary:	Service includes repair, replacement inspection, integration and installation of various parts and equipment to the incinerators located at RM Clayton and Utoy Creek Water Reclamation Centers.
Background:	Original contract execution date TBD
Evaluation Team:	N/A
Term of Contract:	The Agreement has a base term of one (1) year with a one (1) year renewal option.

Fund Account Centers:

2J21 (WATER & WASTEWATER RENEWAL
& EXTENSION) 523001
(SERV/REPAIR/MAINT. CONTRACT) Q32001
(TREATMENT PLANT - R.M. CLAYTON)
(\$500,000.00) AND 2J21 (WATER &
WASTEWATER RENEWAL & EXTENSION)
523001 (SERV/REPAIR/MAINT. CONTRACT)
Q33001 (TREATMENT PLANT - UTOY
CREEK) (\$300,000.00)

Prepared By:

Staci M. Wilbon, CPPB, Contracting Officer Senior

Contact Number:

(404) 330-6556



SHIRLEY FRANKLIN
MAYOR

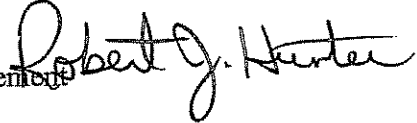
CITY OF ATLANTA
55 TRINITY AVENUE, SW, SUITE 5400, SOUTH BLDG.
ATLANTA, GEORGIA 30303-0324
OFFICE (404) 330-6081
FAX (404) 658-7194

DEPARTMENT OF
WATERSHED MANAGEMENT
ROBERT J. HUNTER
Commissioner

February 22, 2007

MEMORANDUM

TO: Adam L. Smith, Chief Procurement Officer
Department of Procurement

FROM: Robert J. Hunter, Commissioner
Department of Watershed Management 

RE: Request for Sole Source – Repair, Replacement and
Maintenance of Incinerator Equipment at R. M. Clayton Water
and Utoy Creek Water Reclamation Centers
Contractor: *Industrial Furnace Company, Inc.*

The Department of Watershed Management assumed the responsibility of providing Long Term Bio-Solids Management Services for the Bureau of Wastewater Treatment and Collections facilities upon the discontinuation of the contract with Veolia Water North America OPN Services, Inc. on July 10, 2006.

In our contingency plan we identified incinerator repairs, replacement of parts, upgrades and maintenance as work that would be performed by Industrial Furnace Company, Inc. (IFCO). This company is the manufacturer that previously installed and holds the patent on our hearth design.

In 2001, the combustion system was replaced with a system designed by IFCO. They designed and installed the new Scrubber System, the Induced Fans, the internal castings, the sludge feed system and the computerized programmable logic control system which not only controls the operation of the entire system, and also records the critical reportable parameters such as the hearth temperature, induced draft, rabble arm speed and feed tonnage. Industrial Furnace Company, Inc. also controls the patent for the Flue Gas Return (FGR) Systems; and they are distributors for the EnviroCare Scrubber.

The special Multiple Hearth Furnace Burner (MHFB) was also developed by MHF Services, a division of IFCO. Even our pop-top damper is an IFCO innovation. Each Water Reclamation Center processes over 250 wet tons of sludge per day, and without these services it would be impossible to keep up with the plants environmental compliance and avoid spills into the Chattahoochee River, which could endanger the public's health to our downstream users.

We are facing numerous challenges as it relates to poor conditions and the lack of proper maintenance of the Incinerator equipment. These Incinerators must accomplish these tasks without causing pollution problems. We have identified the types of issues of concern that need addressing immediately:

1. Combustion Systems
2. Multiple Hearth Furnace Service
3. Demolition Services
4. Corrosion Protection Systems
5. Wet Scrubber Systems
6. Inspection Services
7. Integration Services
8. Metal Fabrication Services
9. De-slagging/Cleaning
10. Mechanical Equipment Installation
11. Structural Steel Work
12. Breeching /Stack Repair and Installation
13. Insulation Services

Based on the City of Atlanta Code of Ordinances Section 2-1191 Sole Source Procurement, we request that you approve a sole source contract with Industrial Furnace Company, Inc., for the work needed that IFCO maintains a patent for. We anticipate submitting legislation to City Council to authorize a contract for Cycle 7. The above referenced services should not exceed **Eight Hundred Thousand Dollars and No Cents (\$800,000.00)**. To be paid from Fund, Account and Center Number #2J21 523001 Q32001 (\$500,000.00-R. M. Clayton) and #2J21 523001 Q33001 (\$300,000.00).

Adam L. Smith
February 22, 2007
Page 3 of 3

Should you have any additional questions and or concerns, please feel free to contact Cynthia P. Brinkley, Contracting Officer, at (404) 330-6096.

RJH/CPB

C: Sheila C. Pierce, Deputy Commissioner - DWM
 Alan Stillwell, Acting Deputy Commissioner – BWTC
 Cathy Martin, Deputy Procurement Officer – DOP
 Carl Hall, Contracts Administrator – DOP
 Sylvester Richards, Director – BWTC
 Timothy Mullins, Water Reclamation Center Manager, R. M. Clayton WRC
 Mike Shelhammer, Water Reclamation Center Manager, Utoy Creek WRC
 Cynthia P. Brinkley, Contracting Officer – DWM



CITY OF ATLANTA


SUITE 1790
55 TRINITY AVENUE, SW
ATLANTA, GA 30303
(404) 330-6204 Fax: (404) 658-7705
Internet Home Page: www.atlantaga.gov

Shirley Franklin
Mayor

DEPARTMENT OF PROCUREMENT
Adam L. Smith, Esq., CPPB
Chief Procurement Officer
asmith@atlantaga.gov

MEMORANDUM

TO: Robert J. Hunter, Commissioner
Department of Watershed Management

FROM: Adam L. Smith 

RE: **Sole Source Request for Repair, Replacement and Maintenance of
Incinerator Equipment at R.M. Clayton and Utoy Creek Water
Reclamation Centers**

DATE: March 5, 2007

I am in receipt of your Sole Source Request for Repair, Replacement and Maintenance of Incinerator Equipment at R.M. Clayton and Utoy Creek Water Reclamation Centers.

As stated in your request, the incinerators are utilized to burn bio-solids, which is part of the permitted wastewater treatment process. Since 2002, the City of Atlanta ("City") has had a contract with Veolia Water North America to operate the incinerators at the Utoy Creek and R.M. Clayton facilities. Effective July 10, 2006, at 9:30 a.m., the Veolia Water North America contract was terminated, thereby requiring the City to operate the facilities.

Industrial Furnace Company, Inc. ("IFCO") is the design manufacturer, which replaced the previous combustion system that was replaced in 2001. IFCO holds the patents on the Multiple Hearth Furnace Burner and Flue Gas Return System. Without these systems it would be impossible for R.M. Clayton and Utoy Creek Water Reclamation Center to keep up with the required environmental compliance. Also, IFCO is the only company available to provide repair, service and maintenance for their exclusive system.

Based on our finding, it would be in the best interest of the City to use IFCO as a sole source designee for the Repair, Replacement and Maintenance of Incinerator Equipment at R.M. Clayton and Utoy Creek Water Reclamation Centers. I have determined that your request meets the criteria set forth in § 2-1191, Sole Source Procurement, of the Atlanta City Code of Ordinances.

MEMORANDUM

TO: Robert J. Hunter, Commissioner
Department of Watershed Management
FROM: Adam L. Smith
RE: **Sole Source Request for Repair, Replacement and Maintenance of
Incinerator Equipment at R.M. Clayton and Utoy Creek Water
Reclamation Centers**
DATE: March 5, 2007
PAGE: 2

If you have any questions or need additional assistance, please contact Ms. Staci Wilbon, CPPB, Contracting Officer Senior, at (404) 330-6556.

ALS/smw

cc: Ms. Sheila Pierce

Part II: Legislative White Paper:

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/Executive

Caption: A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH INDUSTRIAL FURNACE COMPANY, INC. FOR FC-6007000005, INCINERATOR MAINTENANCE, REPAIR AND REPLACEMENT, ON BEHALF OF THE DEPARTMENT OF WATERSHED MANAGEMENT, IN AN AMOUNT NOT TO EXCEED EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS (\$800,000.00); ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS: 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q32001 (TREATMENT PLANT - R.M. CLAYTON) (\$500,000.00) AND 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q33001 (TREATMENT PLANT - UTOY CREEK) (\$300,000.00); AND FOR OTHER PURPOSES.

Council Meeting Date: April 16, 2007

Requesting Dept.: Watershed Management

B. To be completed by the department :

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to procure services from Industrial Furnace Company ("IFCO") to make the necessary repairs, and perform necessary maintenance to the Incinerators at R. M. Clayton and Utoy Creek Water Reclamation Centers.

2. Please provide background information regarding this legislation.

This resolution reflects the Department of Watershed Management's desire to obtain repair, replacement, maintenance and upgrades to the Incinerators located at R. M. Clayton and Utoy Creek Water Reclamation Center.

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Professional Services

(b) **Source Selection:** Sole Source

(c) **Bids/Proposals Due:** N/A

(d) **Invitations Issued:** N/A

(e) **Number of Bids:** N/A

(f) **Proposals Received:** N/A

(g) **Bidders/Proponents:** N/A

(h) **Term of Contract:** N/A

4. Fund Account Center: R. M. Clayton WRC (#2J21 523001 Q32001 - \$500,000) and Utoy Creek WRC (#2J21 523001 Q33001 - \$300,000.00).

5. Source of Funds: Service/Repair/Maint Contruction

6. Fiscal Impact: \$800,000.00

7. Method of Cost Recovery: N/A

This Legislative Request Form Was Prepared By: Cynthia P. Brinkley, Contracting Officer

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Legislative Counsel (Signature): Megan S. Middleton



Contact Number: 6207

Originating Department: Watershed Management

Committee(s) of Purview: Finance/Executive

Council Deadline: March 12, 2007

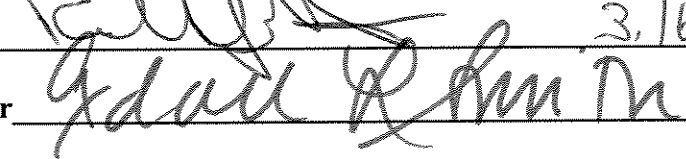
Committee Meeting Date(s): March 28, 2007

Full Council Date: April 16, 2007

Commissioner Signature

 3.16.07

Chief Procurement Officer



CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH INDUSTRIAL FURNACE COMPANY, INC. FOR FC-6007000005, INCINERATOR MAINTENANCE, REPAIR AND REPLACEMENT, ON BEHALF OF THE DEPARTMENT OF WATERSHED MANAGEMENT, IN AN AMOUNT NOT TO EXCEED EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS (\$800,000.00); ALL CONTRACTED WORK WILL BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS: 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q32001 (TREATMENT PLANT - R.M. CLAYTON) (\$500,000.00) AND 2J21 (WATER & WASTEWATER RENEWAL & EXTENSION) 523001 (SERV/REPAIR/MAINT. CONTRACT) Q33001 (TREATMENT PLANT - UTOY CREEK) (\$300,000.00); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any) \$800,000.00

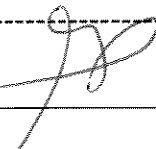
Mayor's Staff Only

Received by Mayor's Office:

(date)

3/19/07
3/19/07

Reviewed by:



Submitted to Council:

(date)